

LOGISTICS MARKET SNAPSHOT

U.S. MARKET:

Gross Domestic Product

Real gross domestic product (GDP) **increased at an annual rate of 3.1% in the 3rd quarter of 2024**, according to the "third" estimate released by the U.S. Bureau of Economic Analysis. In the 2nd quarter, real GDP increased 3.0%. The increase in real GDP primarily reflected increases in consumer spending, exports, federal government spending, and nonresidential fixed investment.

Source: Bureau of Economic Analysis

U.S. Trade Deficit

The goods and services deficit was **\$73.8 billion in October 2024, down \$10.0 billion from \$83.8 billion in September**, revised. The October decrease in the goods and services deficit reflected a decrease in the goods deficit of \$10.4 billion to \$98.7 billion and a decrease in the services surplus of \$0.4 billion to \$24.8 billion. For the three months ending in October, the average goods and services deficit decreased \$1.8 billion to \$76.1 billion.

Source: Bureau of Economic Analysis

Import Volumes

October 2024 imports were \$339.6 billion, \$14.3 billion less than September imports. For the 3 months ending in October, average imports decreased \$2.3 billion to \$345.5 billion. Imports of goods decreased \$15.7 billion to \$269.3 billion in October. Imports of services increased \$1.4 billion to \$70.2 billion in October.

Source: U.S. Bureau of Economic Analysis

Export Volumes

October 2024 exports were \$265.7 billion, \$4.3 billion less than September exports. For the three months ending in October, average exports increased \$9.2 billion from October 2023. Exports of goods decreased \$5.3 billion to \$170.7 billion in October. Exports of services increased \$1.0 billion to \$95.1 billion in October.

Source: U.S. Bureau of Economic Analysis

Import & Export Price Indexes

Prices for **U.S. imports increased 0.1% for the 2nd consecutive month in November 2024.** Higher fuel prices led the November advance. U.S. import prices rose 1.3% from November 2023 to November 2024, the largest over-the-year advance since the index increased 1.7% for the year ended July 2024. **U.S. export prices were unchanged in November 2024** after increasing 1.0% in October and declining 0.6% in September and 0.7% in August. Higher nonagricultural prices in November offset lower agricultural prices. U.S. export prices rose 0.8% over the past year, the largest 12-month advance since a 1.2% increase from July 2023 to July 2024.

Source: Bureau of Labor Statistics

Unemployment Rate

For November 2024, total nonfarm payroll **employment rose by 227,000 and the unemployment rate changed little at 4.2%.** Employment trended up in health care, leisure and hospitality, government, and social assistance. Retail trade lost jobs. **The number of long-term unemployed** (those jobless for 27 weeks or more) came in at 1.7 million in November and accounted for 23.2% of all unemployed people. **Georgia's unemployment rate comes in at 3.7% for November 2024**, ranking 25th in the U.S. of states with the lowest unemployment, tying with Arizona, Idaho, Missouri, and North Carolina. South Dakota shows the lowest level of unemployment at 1.9%. Nevada ranks highest in unemployment with a rate of 5.7%.

Source: Bureau of Labor Statistics

Labor Force Participation Rate

For November 2024 the labor force participation rate read at **62.5%, a decrease from the previous month.** The labor force participation rate for November 2024 for those of **prime working age (25-54) had a reading of 83.5%.**

Source: U.S. Bureau of Labor Statistics (Workforce Participation Rate measures the share of Americans at least 16 years old who are either employed or actively looking for work)

Leading Economic Index

The Leading Economic Index (LEI) for the US **increased by 0.3% in November 2024 to 99.7, nearly reversing its 0.4% decline** in October. Over the 6-month period between May and November 2024, the LEI declined by 1.6%, slightly less than its 1.9% decline over the previous six months (November 2023 to May 2024). "The US LEI rose in November for the first time since February 2022," says The Conference Board. **"A rebound in building permits, continued support from equities, improvement in average hours worked in manufacturing, and fewer initial unemployment claims boosted the LEI in November.** Gains in building permits were not widespread geographically or by building type; they were concentrated mainly to the Northeast and Midwest, and on buildings with 5+ units rather than single-family dwellings. Overall, the rise in LEI is a **positive sign for future economic activity** in the US."

Source: The Conference Board (the LEI is a composite of 10 economic indicators that together create an analytic system designed to signal peaks and troughs in the business cycle. The LEI reveals patterns in economic data in a clearer and more convincing manner than any individual component alone)

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Pending Home Sales Index

Pending Home Sales Index **gained 2.2% to 79.0 in November 2024 – the 4th consecutive month of increases and the highest level since February 2023.** Year-over-year, pending transactions improved 6.9%. The Midwest, South and West experienced month-over-month gains in transactions, while the Northeast decreased. Year-over-year, contract signings increased in all four U.S. regions, with the West leading the pack. According to the National Association of Realtors, **“Consumers appeared to have recalibrated expectations regarding mortgage rates** and are taking advantage of more available inventory. Buyers are no longer waiting for or expecting mortgage rates to fall substantially. Furthermore, buyers are in a better position to negotiate as the market shifts away from a seller’s market.”

Source: National Association of Realtors (an index of 100 is equal to the level of contract activity in 2001)

Housing Starts

Privately-owned housing starts in November 2024 were at a seasonally adjusted annual rate of 1,289,000. This is 1.8 below the revised October estimate of 1,312,000 and is 14.6% below the November 2023 rate of 1,510,000. Single-family housing starts in November were at a rate of 1,011,000; this is 6.4% above the revised October figure of 950,000. **The November 2024 rate for units in buildings with five units or more was 264,000.**

Source: U.S. Census Bureau

Light-Vehicle Sales

New light-vehicle sales in **November 2024 beat expectations totaling 16.5 million units, the highest since May 2021.** November increased 6.7% from November 2023, with its raw volume total of 1.360 million units up 10.1% year over year. Daily selling rate comparisons are helpful here because **November 2024 had one more selling weekend than November 2023,** which may explain some of the volume growth. **With alternative-fueled vehicles having made up 19.7% of all new vehicles sold this year, hybrids, plug-in hybrids and battery electric vehicles have all gained market share, as hybrids led the pack.** In terms of raw sales volume, **hybrid sales rose 35.2% during the same period.** OEM discounting has increased throughout 2024. According to J.D. Power, **average incentive spending per unit should total \$3,291 in November, up 42.3% year over year** and up by \$174 from October.

Source: National Automobile Dealers Association (Light vehicle sales record the number of domestically produced units of cars, SUVs, mini-vans, and light trucks that are sold. Because motor vehicle sales are a large part of consumer spending in the United States, the motor vehicle sales data can provide important information on consumer-spending trends and on the overall direction of the economy)

Personal Income and Outlays

Personal income increased \$71.1 billion (0.3% at a monthly rate) in November 2024. Disposable personal income (DPI), personal income less personal current taxes, increased \$61.1 billion (0.3%) and personal consumption expenditures (PCE) increased \$81.3 billion (0.4%). The increase in current-dollar personal income in November primarily reflected an increase in compensation that was partly offset by decreases in personal income receipts on assets and personal current transfer receipts. **Personal outlays**—the sum of PCE, personal interest payments, and personal current transfer payments—increased \$78.2 billion in November. Personal saving was \$968.1 billion in November 2024 and the personal saving rate—personal saving as a percentage of disposable personal income—was 4.4%.

Source: U.S. Bureau of Economic Analysis (personal income is the income that people get from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources; it does not include realized or unrealized capital gains or losses)

Personal Consumption Expenditures Price Index

Personal Consumption Expenditures (PCE) increased \$81.3 billion (0.4%) and the PCE price index increased 0.1% for November 2024. Excluding food and energy, the PCE price index increased 0.1%. Real PCE increased 0.3%; goods increased 0.7% and services increased 0.1%. **Within goods,** the largest contributors to the increase were motor vehicles and parts and recreational goods and vehicles. **Within services,** the largest contributors to the increase were spending for financial services and insurance, recreation services, and health care.

Source: U.S. Bureau of Economic Analysis (the PCE price index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services; it is known for capturing inflation (or deflation) across a wide range of consumer expenses and reflecting changes in consumer behavior)

Retail Sales

Advance estimates of U.S. retail and food services sales for **November 2024 were \$724.6 billion, an increase of 0.7%** from the previous month, and up 3.8% from November 2023. Total sales for the September 2024 through November 2024 period were up 2.9% from the same period a year ago. Retail trade sales were up 0.9% from October 2024, and up 4.1% from last year. Motor vehicle and parts dealers were up 6.5% from last year, while nonstore retailers were up 9.8% from November 2023.

Source: U.S. Census Bureau (Non-store retail sales are measured monthly and include internet-only sales outlets as well as other direct-to-customer channels)

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E-Commerce

The estimate of U.S. retail e-commerce sales for **the 3rd quarter of 2024 was \$300.1 billion, an increase of 2.6% from the 2nd quarter of 2024.** Total retail sales for the 3rd quarter of 2024 were estimated at \$1,849.9 billion, an increase of 1.3% from the 2nd quarter of 2024. The 3rd quarter 2024 e-commerce estimate increased 7.4% from the 3rd quarter of 2023 while total retail sales increased 2.1% in the same period. **E-commerce sales in the 3rd quarter of 2024 accounted for 16.2% of total sales.**

Note: Release for Q4 2024 – U.S. Quarterly Retail E-Commerce Sales, will be published February 2024.

Source: U.S. Census Bureau (E-Commerce sales are measured on a quarterly basis and include the sales of goods and services where the buyer places an order, or the price and terms of the sale are negotiated over an Internet, mobile device (M-commerce), extranet, Electronic Data Interchange (EDI) network, electronic mail, or other comparable online system. Payment may or may not be made online)

Consumer Confidence Index

The Consumer Confidence Index **declined by 8.1 points in December to 104.7.** Per The Conference Board, “While weaker consumer assessments of the present situation and expectations contributed to the decline, the expectations component saw the sharpest drop. **Consumer views of current labor market conditions continued to improve, consistent with recent jobs and unemployment data, but their assessment of business conditions weakened.**” Compared to last month, consumers in December were substantially less optimistic about future business conditions and incomes. Pessimism about future employment prospects returned after cautious optimism prevailed in October and November.

Source: The Conference Board (the consumer confidence index is based on a monthly survey of 5,000 U.S. household. It is designed to gauge the financial health, spending power, and confidence of the average U.S. consumer. Base year 1985=100)

Consumer & Producer Price Index

The **Consumer Price Index increased 0.3% on a seasonally adjusted basis in November 2024,** after rising 0.2% in each of the previous 4 months. Over the last 12 months, the all items index increased 2.7% before seasonal adjustment. The index for shelter rose 0.3% in November, accounting for nearly 40% of the monthly all items increase. The food index also increased over the month, rising 0.4% as the food at home index increased 0.5% and the food away from home index rose 0.3%. The energy index rose 0.2% over the month, after being unchanged in October. The **Producer Price Index for final demand rose 0.4 percent in November 2024,** seasonally adjusted. Final demand prices increased 0.3% in October and 0.2% in September. In November, nearly 60% of the broad-based rise in final demand prices can be attributed to a 0.7% increase in the index for final demand goods. Prices for final demand services moved up 0.2%. For the 12 months ended in November, prices for final demand less foods, energy, and trade services advanced 3.5%.

Source: U.S. Bureau of Labor Statistics (the CPI measures the change in prices paid by consumer for goods and services. Base year 1999=100; the PPI measures the average price changes by producers for domestically produced goods, services, and construction. Base year 2009=100)

Small Business Optimism Index

The Small Business Optimism Index **rose by 8 points in November 2024 to 101.7,** after 34 months of remaining below the 50-year average of 98. This is the highest reading since June 2021. “The election results signal a major shift in economic policy, leading to a surge in optimism among small business owners,” according to the National Federation of Independent Business. “Main Street also became more certain about future business conditions following the election, breaking a nearly three-year streak of record high uncertainty. Owners are particularly hopeful for tax and regulation policies that favor strong economic growth as well as relief from inflationary pressures.”

Source: National Federation of Independent Business

Industrial Production & Capacity Utilization

Industrial production (IP) moved down 0.1% in November 2024 after declining 0.4% in October. In November, manufacturing output rose 0.2%, boosted by a 3.5% increase in the index for motor vehicles and parts. The indexes for mining and utilities fell 0.9% and 1.3%, respectively. Total IP in November was 0.9% below its year-earlier level. **Capacity utilization stepped down to 76.8% in November 2024,** a rate that is 2.9 percentage points below its long-run (1972–2023) average. Capacity utilization for manufacturing inched up 0.1 percentage point in November to 76.0%, a rate that is 2.3 percentage points below its long-run average. The operating rate for mining decreased 0.7 percentage point to 88.8%, and the operating rate for utilities moved down 1.2 percentage points to 70.0%.

Source: The Federal Reserve (The industrial production and capacity utilization rates cover manufacturing, mining, and electric and gas utilities. The industrial detail provided by these measures helps illuminate structural developments in the economy)

Manufacturing and Trade Inventories and Sales

Manufacturers’ and trade inventories for October 2024 were estimated at an end-of-month level of \$2,587.0 billion, up 0.1% from September 2024 and were up 2.4% from October 2023. The combined value of **distributive trade sales and manufacturers’ shipments** for October 2024 was estimated at \$1,883.0 billion, virtually unchanged from September 2024, but was up 1.7% from October 2023. The total **business inventories/sales ratio** based on seasonally adjusted data at the end of October was 1.37. The October 2023 ratio was 1.36.

Source: U.S. Census Bureau

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Purchasing Managers Index, Manufacturing

The Manufacturing PMI registered **48.4% in November 2024, 1.9 percentage points higher compared to the 46.5% recorded in October**. According to the Institute for Supply Management, “U.S. manufacturing activity contracted again in November, but at a slower rate compared to last month. Demand continues to be weak but may be moderating, output declined again, and inputs stayed accommodative.” The 3 manufacturing industries reporting growth in November are: Food, Beverage & Tobacco Products; Computer & Electronic Products; and Electrical Equipment, Appliances & Components.

Source: Institute for Supply Management (The PMI combines data on new orders, production, employment, supplier deliveries, and inventory. A reading above 50 % indicates that the manufacturing economy is generally expanding.)

Purchasing Managers Index, Services

The Services PMI registered **52.1%, indicating expansion for the 51st time in 54 months** since recovery from the coronavirus pandemic-induced recession began in June 2020. The Services PMI has expanded in 21 of the last 23 months dating back to January 2023. Fourteen industries reported business activity growth in November and 13 indicated new orders expansion; both figures are improvements compared to October. This reinforces the view over the last several months that **the services sector has returned to sustained growth**.

Source: Institute for Supply Management (The PMI combines data on business activity, new orders, employment, supplier deliveries, and inventory. A reading above 50 % indicates that the manufacturing economy is generally expanding.)

Logistics Managers’ Index

The November 2024 Logistics Manager’s Index reads in at **58.4, down slightly from October’s reading of 58.9 which was the fastest rate of expansion since September 2022**. The overall index has now increased for 12 consecutive months, marking a full year of expansion since November 2023’s reading of 49.4. Growth has been highly consistent over the past 3 months, with the overall index reading in at 58.6, 58.9, and 58.4 in September, October, and November. **This consistency is further evidence for the thesis that the logistics industry has been expanding at a steady, sustainable pace**. The overall index is up 9.0 points from this time a year ago. Unlike many of the market shifts we observed in the past, this one was not a sudden spike stemming from an external jolt (e.g. pandemic, tax cut, international conflict). Instead, the story of **the logistics industry in 2024 has been a healthy, organic recovery** based on steady improvements in the fundamentals of the economy.

Source: Logistics Manager’s Index (The LMI score is a combination eight unique components that make up the logistics industry, including: inventory levels and costs, warehousing capacity, utilization, and prices, and transportation capacity, utilization, and prices. The LMI is calculated using a diffusion index, in which any reading above 50% indicates that logistics is expanding; a reading below 50% is indicative of a shrinking logistics industry.)

U.S. Market News Clip

Holiday spending surged in 2024, blowing past expectations and outpacing customer purchases over the gift-buying season last year. The end-of-year flex of consumer strength marks the latest indication of resilient U.S. buying power, which has kept the economy humming despite a prolonged stretch of high interest rates. Jewelry sales grew more than any other product category, climbing 4% compared to last year, the data showed. Spending on apparel and electronics also climbed at a solid pace. The shopping surge was most pronounced online, where spending grew 6.7% compared to the same period last year, the data showed. While the overall spending reflects the health of U.S. consumers, the pattern of purchases indicates a search for discounts.

Source: MSN; [link to article](#)

INTERMODAL:

Dow Jones Transportation Average

As of December 27, 2024, the Dow Jones Transportation Average closed at a reading of **16,030.66**.

Source: Marketwatch (A price-weighted average of 20 U.S. companies in the transportation industry. The index includes railroads, airlines, trucking, marine transportation, delivery services, and logistics companies.)

NASDAQ Transportation Index

As of December 27, 2024, the NASDAQ Transportation Index closed at a reading of **7,038.74**.

Source: Marketwatch, Inc (A capitalization-weighted stock market index designed to measure the performance of all NASDAQ stocks in the transportation sector.)

Freight Transportation Services Index

The level of for-hire freight shipments in **October 2024 measured 139.3, 1.5% below the all-time high of 141.4** reached in August 2019. The Freight TSI increased in October due to seasonally adjusted increases in trucking, water, and air freight while rail carload, rail intermodal, and pipeline declined. Year to date, for-hire freight shipments measured by the index were up 0.5% in October compared to the end of 2023.

Source: U.S. Bureau of Transportation Statistics (TSI is based on the amount of freight carried by the for-hire transportation industry)

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Freight Index for Shipments and Expenditures

The **shipments component of the Cass Freight Index rose 0.5% month-over-month in November 2024**, after 2 consecutive declines. On a year-over-year basis, shipments declined by 0.7% in November, the narrowest decline in 21 months. Ongoing economic growth and slowing private fleet capacity additions are helping to narrow the year-over-year declines, but the normal seasonal pattern would have the index down about 3% year-over-year in December. The **expenditures component of the Cass Freight Index**, which measures the total amount spent on freight, rose 0.9% month-over-month in November. The year-over-year decline moderated to 3.8% from 5.9% in October. With shipments up 0.5% month-over-month, we infer the 0.9% increase in expenditures included rates up 0.4% month-over-month in November in the 3rd straight price increase.

Source: Cass Information Systems (Based upon transportation dollars and measures the total amount spent on freight and shipments of Cass clients comprised of over 400 shipping companies)

Shippers Conditions Index

Shippers Conditions Index **declined in October to 1.3 from a 4.6 reading in September 2024**. Market conditions for shippers were not as favorable due to firmer fuel costs and tighter capacity. Shippers Conditions Index readings might stay positive in the near term, but FTR Transportation Intelligence expects more neutral readings soon, reflecting a greater balance between shippers and carriers. However, significant trade policy changes under incoming President Trump could yield a more volatile freight market. Announced tariffs on imports from Mexico and Canada and increased tariffs on Chinese goods along with other likely tariffs raise the level of uncertainty over market conditions for shippers in the near term.

Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for shippers)

North American Transborder Freight

Total transborder freight moved by all modes of transportation between the United States and North American countries Mexico and Canada for **September 2024 was valued at \$136.3 billion**, up 3.4% compared to September 2023. Freight between the **U.S. and Canada totaled \$63.8 billion**, down 1.4% from September 2023. Freight between the **U.S. and Mexico totaled \$72.5 billion**, up 8.0% from September 2023 (Mexico continued to lead Canada in freight dollar value for the last 19 months). **Trucks** moved \$88.5 billion of freight, up 7.7% compared to September 2023. **Railways** moved \$17.0 billion of freight, down 5.4% compared to September 2023. **Vessels** moved \$10.1 billion of freight, down 13.5% compared to September 2023 (**vessels** moved 17.3% less mineral fuels). **Pipelines** moved \$8.5 billion of freight, down 7.7% compared to September 2023. **Air** moved \$4.6 billion of freight, down 5.3% compared to September 2023.

Note: Most recent North American Transborder Freight shown here. October 2024 data to be released January 7 2025.

Source: U.S. Bureau of Transportation Statistics

Intermodal News Clip

Intermodal volumes aren't slowing down. By mid-December, we're well past the time when goods bound by train would arrive in retail stores in time for Christmas shoppers, yet railroads are still carrying near-record numbers of boxes. Tariff pull-forward, consumer demand and inventory building are all driving higher intermodal volumes, setting the market up for rate increases next year.

Source: FreightWaves; [link to article](#)

RAIL:

U.S. Freight Rail Traffic

For the week ending December 14, **total U.S. weekly rail traffic was 526,166 carloads and intermodal units, up 4.8%** compared with the same week last year. Total carloads for the week were 228,400 carloads, down 2.4% compared with the same week in 2023, while U.S. weekly intermodal volume was 297,766 containers and trailers, up 11.1% compared to 2023. **Six of the 10 carload commodity groups posted an increase compared with the same week in 2023.** They included farm products excl. grain, and food, up 599 carloads, to 17,143; nonmetallic minerals, up 596 carloads, to 29,740; and chemicals, up 374 carloads, to 32,862. Commodity groups that posted decreases compared with the same week in 2023 included coal, down 3,899 carloads, to 61,291; metallic ores and metals, down 2,444 carloads, to 18,770; and motor vehicles and parts, down 785 carloads, to 16,009.

Source: Association of American Railroads (Report includes rail car-loadings by 20 different major commodity categories)

Railroad Fuel Price Index

The index of **average railroad fuel prices for November 2024 was 456.5**, a decrease from 466.8 the previous month. The index for November 2023 was 580.4, or difference of 23.89%.

Source: Association of American Railroads (Average monthly price for gallons purchased by freight railroads; Includes federal excise taxes, transportation, and handling expenses)

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Class 1 Railroad Employment

Total railroad employment for **November 2024 was 120,354 workers**, an increase from 120,290 workers in October 2024. Total number of workers in November 2023 was 122,356.

Source: U.S. Surface Transportation Board

Rail Freight News Clip

The U.S. Department of Transportation last week released its 2021-2024 quadrennial supply chain review, including a four-year review of supply chains for the transportation industrial base. In January 2021, U.S. supply chains were in disrepair from COVID-19 disruptions and decades of underinvestment in infrastructure, said USDOT officials in a press release. Through the Infrastructure Investments and Jobs Act of 2021, the USDOT strengthened supply chain resiliency by modernizing ports, rail systems, highways and transportation systems.

Source: Progressive Railroading; [link to article](#)

ROAD:

Cowen/AFS Freight Index

Truckload Rates: The much-anticipated rate cut by the Federal Reserve finally happened, but the immediate effect on truckload rates is expected to be minimal. In the near term, truckload freight markets continue to be characterized by low demand and excess capacity. In Q3 2024, linehaul cost per shipment recorded its seventh consecutive quarter with a YoY decline. Looking to Q4 2024, the truckload rate per mile index is expected to stay near the floor established six quarters ago. **LTL Rates:** The LTL freight market in Q3 showed a continuation of established trends, with strict carrier pricing discipline working to maintain yields in a low-demand environment. Carrier pricing discipline is expected to hold in Q4 2024, with the LTL freight index projected to reach 65.0% above the 2018 baseline. **Express Parcel Rates:** For Q3, higher discounts and lower net fuel surcharges added up to the express parcel rate per package index dropping significantly, from 4.5% in Q2 to 1.6%. **Ground Parcel Rates:** For Q3, the ground parcel rate per package index fell significantly, down to its lowest level since 2021 – 20.3% above the 2018 baseline. Looking ahead to Q4, competitive pricing pressure will continue to dominate the holiday shipping season, with a notable trend of growing discounts for large customers.

Note: The Cowen-AFS Q4:2024 Report / Q1:2025 Forecast will be released January 2025.

Source: AFS Logistics (An index providing a snapshot of less-than-truckload shipping, full truckload shipping, and parcel shipping.)

Truckload Linehaul Index

The Truckload Linehaul Index **rose 0.8% month-over-month in November 2024**, the 3rd straight small increase from a cycle low in August. The year-over-year decline narrowed to 1.1% from 2.2% in October and 3.5% in September. With a tougher comparison in December, it still seems unlikely to turn positive until early 2025. As a broad truckload market indicator, this index includes both spot and contract freight. **Spot rates have started to increase, and even contract rates are starting to turn slightly positive as bid activity picks up seasonally.**

Source: Cass Information Systems (this index measures the per-mile change in linehaul rates and is an indicator of market fluctuations in per-mile dry van truckload pricing in the U.S. and does not include other components like fuel and accessorial. Provides trends in baseline truckload prices)

Truck Tonnage Index

The For-Hire Truck Tonnage Index **equaled 112.5 compared with 114.6 in October 2024**. The index, which is based on 2015 as 100, was down 1% from the same month last year. According to the American Trucking Associations, “The frustratingly choppy freight environment continued in November. Since hitting a low in January of this year, tonnage is up a total of 1.1%, but the path has been fraught with nice gains one month only to come back down the next. **The good news is that the overall trend this year is up, albeit at a slow rate.**”

Source: American Trucking Associations (Note: ATA recently revised the seasonally adjusted index to 2015 = 100)

Truckload Freight, Van

The **national van load-to-truck ratio for November 2024 was 3.85**. The previous month’s ratio was 4.13 and the November 2023 ratio was 3.21. **Georgia’s load-to-truck ratios** for vans for November 2024, average 2.6 – 5.4 loads for every truck. For December 2024, **the spot rate** (national average) for dry van freight came in at \$2.10. **Contract rates** registered an average of \$2.41 for the same month. The average outbound van rate for the Southeast region came in at \$1.91 for December 2024.

Source: DAT Freight & Analytics

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Truckload Freight, Refrigerated

The national **load-to-truck ratio for refrigerated hauls** came in at **5.82 loads per truck in November 2024**. The previous month's ratio was 5.85 and the November 2023 ratio was 5.15. **Georgia's load-to-truck ratio** for November 2024 averaged 2.3 – 5.5 reefer loads per truck. The average national **spot market reefer rate for December 2024 was \$2.45 per mile, no change** from the previous month. Contract rates for reefers averaged \$2.73 for the same month. The average outbound rate for the **Southeast region for reefer freight** registered at \$2.11 for December 2024.

Source: DAT Freight & Analytics

Trucking Conditions Index

The Trucking Conditions Index for **October 2024 improved to 0.49 from -2.47 in September**, indicating improved conditions for carriers. Stronger utilization, lower capital costs, and less challenging freight rates were the main factors. FTR still expects the Trucking Conditions Index by the 2nd quarter of next year to be consistently positive through at least 2026. According to FTR Transportation Intelligence, "The outlook for the trucking market has not changed significantly since last month. Our forecast for freight volume next year is a bit weaker than it was previously, but we also **have tightened our capacity assumption a bit based on preliminary government data regarding trucking employment.**"

Source: FTR Transportation Intelligence (Figures below zero indicate a less-than-ideal environment for trucking)

Diesel Prices

As of December 23, 2024, the **U.S. average diesel price was \$3.48 per gallon**. This is a 6-cent decrease month-over-month and \$0.44 lower than the same week in 2023. The average price of diesel in the **Lower Atlantic states also came in at \$3.48 per gallon**, 3 cents lower than the previous month. Prices were 4 dimes higher during the same period in 2023, averaging \$3.88 per gallon.

Source: U.S. Energy Information Administration (Reflects the costs and profits of the entire production and distribution chain)

Trucking Employment

November 2024 numbers (preliminary) for the trucking industry **read at 1,548,700 employees**, decreasing from 1,545,800 employees (preliminary) for October 2024.

Source: U.S. Bureau of Labor Statistics

Trucking Earnings & Hours

For October 2024, the average earnings (preliminary) for occupations commonly found in truck transportation **were \$31.32/hour**, increasing from the previous month's rate of \$31.45. October 2024 showed **average weekly hours totaling 40.3 hours** (preliminary) up from 40.2 hours in September 2024.

Source: U.S. Bureau of Labor Statistics

U.S. Truck & Trailer Orders (Class 8)

Preliminary North American Class 8 net orders **for November 2024 totaled 33,500 units, reflecting a 12% increase month-over-month but a 7% decrease year-over-year**. Orders were still above seasonal expectations as the average November order level over the past seven years is 30,393 units. Despite ongoing stagnation in the truck freight market, net orders in September through November 2024 were 1% higher than the same period in 2023, signaling slight positive momentum for the 2025 order season. As of November 2024, YTD net orders were up 9% year-over-year. North American Class 8 orders have now totaled 273,143 units for the last 12 months. Says FTR Transportation Intelligence, "**Despite a sluggish freight market, fleets have continued to invest in new equipment, mainly at replacement demand levels so far in 2024.** We expect a modest rise in November backlogs once the final Class 8 market data is released later this month."

Source: FTR Transportation Intelligence

Road Freight News Clip

The trucking industry is expected to slowly improve next year even as market headwinds and uncertainty leave many unknowns heading into 2025. The freight market has struggled for nearly two years to gain traction after it collapsed into an unusually prolonged down cycle, but that only came after an exceptionally good up cycle brought on by the coronavirus pandemic. Now experts are cautiously optimistic the resulting mismatch between freight demand and capacity will be further corrected over the coming year. "You have a freight environment that is very slightly improved, and you have capacity that is very slightly lower — that has produced the makings of a recovery next year," says FTR Transportation Intelligence. "Utilization has steadily improved, but at this point is basically running at about an average level, and that isn't really going to produce much of an inflection in rates. But we do expect to see that."

Source: Transport Topics; [link to article](#)

LOGISTICS MARKET SNAPSHOT

AIR:

Air Cargo Traffic

Global cargo tonne-kilometers (CTK) **grew by 9.8% year-on-year in October 2024, marking the 15th consecutive month of growth.** Month-on-month demand increased by 5.7% after seasonal adjustments. International CTK expanded by 10.3% compared to last year, with growth evident across all regions and major trade lanes. Latin America and Caribbean carriers led with a 17.6% year-on-year increase. The Middle East-Europe trade lane recorded a significant 15.3% annual rise in cargo demand. **Global air cargo capacity, measured in Available Cargo Tonne-Kilometers (ACTK), grew by 5.9% year-on-year in October 2024,** reaching record-high levels. Global air cargo yield continues to rise, while jet fuel prices have fallen year-on-year.

Source: International Air Transport Association (Global air freight covers international and domestic scheduled air traffic.)

Jet Fuel Prices

As of December 27, 2024, the global average jet fuel price **ended at \$89.45/bbl, a decrease of 1.2% from the previous month.** This is a 20.4% decline, year-over-year.

Source: International Air Transport Association (the weekly index and price data shows the global average price paid at the refinery for aviation jet fuel)

Air Freight News Clip

Air freight rates fell back overall a little during the week ended December 23 as the traditional peak season period came towards an end. Despite reports of some extra cargo being rushed through ahead of tariffs when U.S. President-Elect Donald Trump takes charge in January, rates on the big lanes out of China were mostly lower both to Europe as well as to the U.S. Elsewhere out of Asia, trends were more mixed with rates slightly lower out of Vietnam and also out of India to the U.S. Rates to Europe were up again out of Bangkok and Seoul.

Source: Stat Trade Times; [link to article](#)

OCEAN:

Shanghai Containerized Freight Index

As of December 27, 2024, the China Shanghai Containerized Freight Index **reading was \$2,460.34 per TEU.** This is a 2.19% increase from the previous month, **and a 76.88% increase year-over year.** An increase from \$2,233.83 during the same week last month (November 29, 2024), and an increase from \$1,759.58 during the same week last year (December 29, 2023).

Source: MacroMicro (The Shanghai Containerized Freight Index reflects the spot rates of the Shanghai container transport market. It is a weekly reported average spot rate of 15 major container trade routes exported from Shanghai to regions around the globe.)

Georgia Ports Authority

The Georgia Ports Authority **handled 478,147 twenty-foot equivalent container units in November 2024,** an increase of more than 16,114 TEUs, or 3.26%. It was the 2nd busiest November on record for GPA after 2021, when close to half a million (495,749) TEUs crossed the docks at the Port of Savannah. **Total Imports (full)** came in at 229,488 TEUs, while **total exports (full)** came in at 116,004 TEUs. The Georgia Ports Authority has been awarded \$26.5 million from the U.S. Department of Transportation to help construct Phase II of the Colonel's Island Rail Improvements project at the Port of Brunswick. GPA and rail partner Genesee & Wyoming Inc. will match the grant with \$27.6 million. The funding will complete the build-out of a new railyard needed to handle the growing volume of automotive exports and imports moving through Brunswick, the second busiest Roll-on/Roll-off port in the United States.

Source: Georgia Ports Authority

Ocean Freight News Clip

An enormous ore carrier has become the largest vessel yet to harness the wind, another baby step in the industry's efforts to cut its fuel bills and carbon emissions. The Sohar Max — with a capacity of 400,000 deadweight tons — recently had five, 35-meter-high rotor sails retrofitted at the COSCO Zhoushan shipyard in China. They're expected to be able to cut the vessel's fuel consumption by as much as 6%, and carbon emissions by up to 3,000 tons a year. Shipping is under regulatory pressure to cut emissions, with some rules already in force and others in the pipeline. Rotor sails are still relatively rare for vessels, and the success of wind technologies in general will ultimately depend on whether they're able to save shippers money. The business case is likely to significantly improve if shippers are forced to move away from oil to cleaner — though more expensive — alternative marine fuels.

Source: Supply Chain Brain; [link to article](#)

LOGISTICS MARKET SNAPSHOT

WAREHOUSING & DISTRIBUTION:

Industrial Vacancy

Both vacant speculative deliveries and some additional sublease vacancies **pushed the U.S. industrial vacancy rate up from 6.1% in Q2 2024 to 6.4% in Q3 2024**. Although higher than the lows posted in 2021 and 2022, the vacancy rate remains below pre-pandemic averages, at 7%. Of the 84 markets tracked by Cushman & Wakefield, 48 had vacancy rates at 6% or lower at the close of the quarter. However, 2/3 of U.S. markets experienced quarter-over-quarter increases in vacancy rates. While vacant sublease space continued to tick higher nationally, the bulk of new sublease vacancies were concentrated in a handful of markets, led by Los Angeles, Phoenix, Chicago and the Inland Empire. **Savannah, GA** reported a vacancy rate of 9.0% for Q3 2024, compared to 4.6% in Q3 2023. **Atlanta, GA** reported a vacancy rate of 8.1% for Q3 2024, compared to 5.8% in Q3 2023.

Note: Next release for Q4 2024 – U.S. National Industrial Vacancy, will be published January 2025

Source: Cuman & Wakefield

Warehouse Rent Rates

For Q3 2024, the U.S. average asking rental rate **increased by 4.3% year-over-year to \$10.08 per square foot (psf), surpassing the \$10 psf mark for the first time in history**. While rent growth has moderated in 2024 compared to the double-digit gains of 2022 and 2023, some markets continue to report robust gains. Of the 84 markets tracked, 58 reported year-over-year rent growth, and 12 reported rent growth of 10% or higher. Conversely, 26 markets reported annual rent declines, with the largest decreases mostly occurring in markets on the West Coast. **For Savannah, GA** the average asking rental rate for Q3 2024 was \$6.56, compared to \$6.97 for Q3 2023. **For Atlanta, GA** the average asking rental rate for Q3 2024 was \$7.18, compared to \$6.90 for Q3 2023.

Note: Next release for Q4 2024 – U.S. National Asking Rents, will be published January 2025

Source: Cushman & Wakefield

Industrial Absorption

Net absorption was modest in the third quarter, as some large occupiers continued to shed unneeded space due to cooling consumer demand and shifting of inventory strategies. **With 29.4 million square feet (msf) in the third quarter, net absorption was down 35% quarter-over-quarter but was 40% stronger than the first quarter of 2024**. As in recent years, much of the positive net absorption is tied to the delivery of either build-to-suit or preleased speculative developments, continuing the trend that new, high-quality product continues to outperform. Eight markets yielded more than 5 msf of YTD net growth, and 60% of the industrial markets recorded positive absorption during that time. Meanwhile, eight markets accounted for the majority of negative YTD absorption, led by Los Angeles, Oakland/East Bay, Northern New Jersey and Seattle. **For Savannah, GA**, Q3 2024 net absorption registered at 134,905 compared to 6,607,110 for Q3 2023. **For Atlanta, GA, Q3 2024** net absorption registered 1,758,313 compared to 2,494,760 for Q3 2023.

Note: Next release for Q4 2024 – U.S. National Industrial Absorption, will be published January 2025.

Source: Cushman & Wakefield (Absorption is the net change in occupied space between two points in time. Positive absorption means that previously unoccupied space is being occupied.)

Warehouse Employment

Preliminary November 2024 numbers for the warehousing industry workforce comes in at **1,772,200 employees, decreasing from 1,773,600 employees** for October 2024 (preliminary).

Source: U.S. Bureau of Labor Statistics

Warehouse Earnings & Hours

October 2024 average hourly earnings in the warehousing and storage subsector comes in at **\$24.69/hour (preliminary), a few cents lower** than the September 2024 rate. The **average weekly hours were 40.9 for October 2024** (preliminary) down from 41.1 hours in September 2024.

Source: U.S. Bureau of Labor Statistics

Warehouse & Distribution News Clip

In response to booming e-commerce volumes, investors are currently building \$9 billion worth of warehousing and distribution projects under construction in the U.S., with nearly 25% of the activity attributed to one company alone—Amazon. Amazon is responsible for \$2 billion in warehousing and distribution projects across the U.S., buoyed by the buildout of fulfillment centers—facilities that help process orders and ship products directly to end customers, ensuring deliveries of online goods from retailers to buyers.

Source: Supply Chain Xchange; [link to article](#)

LOGISTICS MARKET SNAPSHOT

The free Logistics Market Snapshot is compiled and prepared monthly by the Georgia Center of Innovation



The Georgia Center of Innovation's logistics team is the leading statewide resource for fueling logistics industry growth and global competitiveness. The Center works to address the needs and opportunities of companies of any size involved in logistics and freight transportation – both providers and heavy consumers of logistics services. The Center provides industry knowledge and technical expertise, connections to state resources in research and innovation, and joins together an extensive cross-sector industry network. As an industry focused component of the Georgia Department of Economic Development (GDECD) the Center has main offices in Savannah and Atlanta with activity in all parts of the State.

The Center represents all segments of the logistics industry and provides a unique platform for companies to network, address industry issues and share knowledge. **Simply put, the Center is a catalyst to help logistics-enabled businesses clear the path to innovation and growth.**

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